

10. The IRS made timely assessments for unpaid federal income tax in the amounts and on the dates set forth below. The unpaid balances, together with interest and certain penalties, are as follows:

Tax Period	Assessment Date	Assessment Amount	Unpaid Balance as of November 5, 2019 ¹
2005	2/8/2010	\$9,338.00 (Income Taxes)	\$24,686.29
	2/8/2010	\$2,101.05 (Late Filing Penalty)	
	2/8/2010	\$374.56 (Estimated Tax Penalty)	
	2/8/2010	\$3,026.22 (Interest)	
	2/8/2010	\$2,147.74 (Failure to Pay Tax Penalty)	
	8/16/2010	\$186.76 (Failure to Pay Tax Penalty)	
	11/10/2014	\$2,905.84 (Interest)	
	11/16/2015	\$621.72 (Interest)	
	11/14/2016	\$760.42 (Interest)	
	11/12/2018	\$1,926.37 (Interest)	
2006	2/22/2010	\$78,499.00 (Income Taxes)	\$196,102.45
	2/22/2010	\$17,662.28 (Late Filing Penalty)	
	2/22/2010	\$3,714.88 (Estimated Tax Penalty)	
	2/22/2010	\$17,275.50 (Interest)	
	2/22/2010	\$13,737.32 (Failure to Pay Tax Penalty)	
	8/16/2010	\$4,317.45 (Failure to Pay Tax Penalty)	
	8/15/2011	\$1,569.98 (Failure to Pay Tax Penalty)	
	11/10/2014	\$22,736.08 (Interest)	
	11/16/2015	\$4,938.75 (Interest)	
	11/14/2016	\$6,040.69 (Interest)	
	11/12/2018	\$15,302.59 (Interest)	
2009	4/9/2018	\$5,729.00 (Income Taxes)	\$8,919.83
	4/9/2018	\$996.52 (Late Filing Penalty)	
	4/9/2018	\$1,107.25 (Failure to Pay Tax Penalty)	
	4/9/2018	\$1,670.69 (Interest)	
2010	7/7/2014	\$1,950.00 (Income Taxes)	\$551.70
	7/7/2014	\$186.52 (Late Filing Penalty)	
	7/7/2014	\$153.36 (Failure to Pay Tax Penalty)	
	7/7/2014	\$104.23 (Interest)	
	11/16/2015	\$18.52 (Interest)	
	11/14/2016	\$17.01 (Interest)	
	11/12/2018	\$43.06 (Interest)	
2011	6/9/2014	\$1,273.00 (Income Taxes)	\$390.35
	6/9/2014	\$156.37 (Late Filing Penalty)	
	6/9/2014	\$86.88 (Failure to Pay Tax Penalty)	
	6/9/2014	\$54.79 (Interest)	
	6/9/2014	\$16.00 (Fees and Collection Costs)	
	11/16/2015	\$13.31 (Interest)	
	11/14/2016	\$12.02 (Interest)	
	11/12/2018	\$30.47 (Interest)	

¹ The unpaid balance may reflect payments or other credits, as well as additional accrued interest and penalties.

2012	6/9/2014	\$2,181.00	(Income Taxes)	\$842.21
	6/9/2014	\$37.00	(Estimated Tax Penalty)	
	6/9/2014	\$465.75	(Late Filing Penalty)	
	6/9/2014	\$134.55	(Failure to Pay Tax Penalty)	
	6/9/2014	\$76.15	(Interest)	
	11/16/2015	\$29.83	(Interest)	
	11/14/2016	\$25.95	(Interest)	
2013	11/12/2018	\$65.71	(Interest)	\$9,142.95
	1/8/2018	\$5,113.00	(Income Taxes)	
	1/8/2018	\$90.00	(Estimated Tax Penalty)	
	1/8/2018	\$1,125.67	(Late Filing Penalty)	
	1/8/2018	\$1,125.67	(Failure to Pay Tax Penalty)	
	1/8/2018	\$849.10	(Interest)	
	3/26/2018	\$16.00	(Fees and Collection Costs)	
2014	3/19/2018	\$3,143.00	(Income Taxes)	\$5,392.90
	3/19/2018	\$54.00	(Estimated Tax Penalty)	
	3/19/2018	\$682.42	(Late Filing Penalty)	
	3/19/2018	\$545.94	(Failure to Pay Tax Penalty)	
	3/19/2018	\$421.36	(Interest)	
	8/6/2018	\$16.00	(Fees and Collection Costs)	

11. In addition, Defendants failed to file an income tax return in 2007. The IRS assessed the income taxes owed under Internal Revenue Code § 6020(b), and a corresponding notice of deficiency was issued to Defendant Vickie L. Maxwell. Defendant Vickie L. Maxwell did not dispute the notice of deficiency issued for 2007. The IRS made timely assessments for unpaid federal income tax in the amounts and on the dates set forth below. The unpaid balance, together with interest and certain penalties, are as follows:

Tax Period	Assessment Date	Assessment Amount	Unpaid Balance as of November 5, 2019 ²
2007	2/8/2010	\$43,882.00 (Income Taxes)	\$102,355.02
	2/8/2010	\$9,873.45 (Late Filing Penalty)	
	2/8/2010	\$1,997.19 (Estimated Tax Penalty)	
	2/8/2010	\$4,876.97 (Interest)	
	2/8/2010	\$4,827.02 (Failure to Pay Tax Penalty)	
	1/2/2012	\$6,143.48 (Failure to Pay Tax Penalty)	
	12/30/2013	\$9,514.07 (Interest)	
	12/29/2014	\$2,463.31 (Interest)	
	1/18/2016	\$16.00 (Fees and Collection Costs)	
	12/19/2016	\$5,735.24 (Interest)	
	12/18/2017	\$3,634.85 (Interest)	
	12/17/2018	\$4,477.29 (Interest)	

² The unpaid balance may reflect payments or other credits, as well as additional accrued interest and penalties.

12. In addition, Defendants operated a satellite and television installation business in Show Low, Arizona from 1999–2014. That business operated through a limited liability company, H L Maxwell & Family, LLC, and closed in 2014.

13. Defendants’ business had employees in 2012 and 2013, but did not file the required Employer’s Quarterly Federal Tax Return Form 941 in any quarter of 2012. Although Form 941s were filed in 2013, no federal tax deposits to account for Defendants’ employees’ income taxes, social security taxes, or Medicare taxes (collectively “payroll taxes”) were made. As a result, the IRS conducted a trust fund recovery penalties (“TFRP”) audit and assessed TFRPs against each Defendant individually for all four quarters of 2012 and 2013.

14. The IRS separately assessed Defendant Harold L. Maxwell TFRPs under Section 6672 of the Internal Revenue Code.

15. Defendant Harold L. Maxwell was both responsible for paying the payroll taxes, and willfully failed to pay those taxes.

16. Defendant Harold L. Maxwell demonstrated that he was both responsible for the failure to pay the taxes and willfully failed to pay them for the reasons that follow:

- A. Defendant Harold L. Maxwell was a signer for H L Maxwell & Family, LLC’s bank account;
- B. He signed numerous checks on that account;
- C. The account shows Defendant Harold L. Maxwell’s personal expenses being paid out of the account instead of tax liabilities; and
- D. Defendant Harold L. Maxwell knew of the unpaid payroll taxes.

17. The IRS made timely assessments for unpaid federal income tax in the amounts and on the dates set forth below. The unpaid balances for the TFRP assessments, together with interest, assessed against Defendant Harold L. Maxwell individually are as follows:

Tax Period	Assessment Date	Assessment Amount	Unpaid Balance as of November 5, 2019 ³
2012 Q 1	7/6/2015	\$7,214.56 (TFRP)	\$8,716.82
	10/05/2015	\$16.00 (Fees and Collection Costs)	
	11/14/2016	\$320.00 (Interest)	
	11/12/2018	\$708.07 (Interest)	
2012 Q 2	7/6/2015	\$7,416.88 (TFRP)	\$8,941.58
	11/14/2016	\$356.95 (Interest)	
	11/12/2018	\$697.75 (Interest)	
2012 Q 3	7/6/2015	\$25,887.96 (TFRP)	\$31,209.81
	11/14/2016	\$1,245.91 (Interest)	
	11/12/2018	\$2,435.43 (Interest)	
2012 Q 4	7/6/2015	\$5,732.63 (TFRP)	\$6,911.11
	11/14/2016	\$275.89 (Interest)	
	11/12/2018	\$539.31 (Interest)	
2013 Q 1	7/6/2015	\$5,156.10 (TFRP)	\$6,216.07
	11/14/2016	\$248.15 (Interest)	
	11/12/2018	\$485.07 (Interest)	
2013 Q 2	7/6/2015	\$5,081.63 (TFRP)	\$6,126.27
	11/14/2016	\$244.56 (Interest)	
	11/12/2018	\$478.07 (Interest)	
2013 Q 3	7/6/2015	\$6,672.04 (TFRP)	\$8,043.62
	11/14/2016	\$321.11 (Interest)	
	11/12/2018	\$627.67 (Interest)	
2013 Q 4	7/6/2015	\$6,361.26 (TFRP)	\$7,668.97
	11/14/2016	\$306.16 (Interest)	
	11/12/2018	\$598.43 (Interest)	

18. The IRS separately assessed Defendant Vickie L. Maxwell TFRPs under Section 6672 of the Internal Revenue Code.

19. Defendant Vickie L. Maxwell was both responsible for paying the payroll taxes, and willfully failed to pay those taxes.

³ The unpaid balance may reflect payments or other credits, as well as additional accrued interest and penalties.

20. Defendant Vickie L. Maxwell demonstrated that she was both responsible for the failure to pay the taxes and willfully failed to pay them for the reasons that follow:

A. Defendant Vickie L. Maxwell was a signer on H L Maxwell & Family, LLC's bank account;

B. Defendant Vickie L. Maxwell was a member/manager of H L Maxwell & Family, LLC; and

C. Defendant Vickie L. Maxwell knew of the unpaid payroll taxes.

21. The IRS made timely assessments for unpaid federal income tax in the amounts and on the dates set forth below. The unpaid balances for the TFRP assessments, together with interest, assessed against Defendant Vickie L. Maxwell individually are as follows:

Tax Period	Assessment Date	Assessment Amount	Unpaid Balance as of November 5, 2019 ⁴
2012 Q 1	7/6/2015	\$7,214.56 (TFRP)	\$8,716.82
	11/23/2015	\$16.00 (Fees and Collection Costs)	
	12/19/2016	\$344.76 (Interest)	
	12/18/2017	\$341.63 (Interest)	
	12/17/2018	\$381.30 (Interest)	
2012 Q 2	7/6/2015	\$7,416.88 (TFRP)	\$8,941.58
	12/19/2016	\$386.74 (Interest)	
	12/18/2017	\$317.53 (Interest)	
	12/17/2018	\$391.14 (Interest)	
2012 Q 3	7/6/2015	\$25,887.96 (TFRP)	\$31,209.81
	12/19/2016	\$1,349.89 (Interest)	
	12/18/2017	\$1,108.33 (Interest)	
	12/17/2018	\$1,365.22 (Interest)	
2012 Q 4	7/6/2015	\$5,732.63 (TFRP)	\$6,911.11
	12/19/2016	\$298.91 (Interest)	
	12/18/2017	\$245.44 (Interest)	
	12/17/2018	\$302.32 (Interest)	
2013 Q 1	7/6/2015	\$5,156.10 (TFRP)	\$6,216.07
	12/19/2016	\$268.86 (Interest)	
	12/18/2017	\$220.75 (Interest)	
	12/17/2018	\$271.92 (Interest)	

⁴ The unpaid balance may reflect payments or other credits, as well as additional accrued interest and penalties.

2013 Q 2	7/6/2015	\$5,081.63	(TFRP)	\$6,126.27
	12/19/2016	\$264.97	(Interest)	
	12/18/2017	\$217.56	(Interest)	
	12/17/2018	\$267.99	(Interest)	
2013 Q 3	7/6/2015	\$6,672.04	(TFRP)	\$8,043.62
	12/19/2016	\$347.91	(Interest)	
	12/18/2017	\$285.64	(Interest)	
	12/17/2018	\$351.85	(Interest)	
2013 Q 4	7/6/2015	\$6,361.26	(TFRP)	\$7,668.97
	12/19/2016	\$331.71	(Interest)	
	12/18/2017	\$272.34	(Interest)	
	12/17/2018	\$335.46	(Interest)	

22. A delegate of the Secretary of the Treasury gave Defendants timely notice of the amounts of the unpaid tax detailed in paragraphs 10-11, 17 and 21 and timely demanded payment thereof, pursuant to 26 U.S.C. § 6303 (notice and demand for tax).

23. Despite notice and demand for payment, Defendants have failed to pay the tax assessments against them detailed in paragraphs 10-11, 17 and 21.

24. As of November 5, 2019, there remains due and owing to the United States on those assessments the total sum of \$516,052.20, plus statutory interest and other statutory additions that continue to accrue by law. The United States therefore seeks a judgment against Defendants for the outstanding liabilities.

CLAIM FOR RELIEF

COUNT 1: REDUCE TO JUDGMENT FEDERAL INCOME TAX ASSESSMENTS AGAINST HAROLD L. MAXWELL AND VICKIE L. MAXWELL FOR TAX YEARS 2005-2006 AND 2009-2014

25. The United States incorporates the allegations in paragraphs 1-24.

26. The IRS timely assessed federal taxes, interest, and penalties against Defendants for tax years 2005-2006 and 2009-2014 as described in paragraphs 8-10.

27. Despite notice and demand for payment of the assessments described in paragraph 10, Defendants have failed to make full payment to the United States. As of November 5, 2019, there remains due and owing to the United States on those assessments the total sum of \$246,028.68, plus statutory interest and other statutory additions that continue to accrue by law.

28. Under 26 U.S.C. § 7402(a) the United States is entitled to judgment against Defendants for the unpaid balance of the assessments described in paragraph 10 plus interest and other statutory additions accruing to the date of payment.

**COUNT 2: REDUCE TO JUDGMENT FEDERAL INCOME TAX
ASSESSMENTS AGAINST VICKIE L. MAXWELL FOR TAX YEAR 2007**

29. The United States incorporates the allegations in paragraphs 1-24.

30. The IRS timely assessed federal taxes, interest, and penalties against Defendant Vickie L. Maxwell for tax year 2007 as described in paragraph 11.

31. Despite notice and demand for payment of the assessments described in paragraph 11, Defendant Vickie L. Maxwell has failed to make full payment to the United States. As of November 5, 2019, there remains due and owing to the United States on those assessments the total sum of \$102,355.02, plus statutory interest and other statutory additions that continue to accrue by law.

32. Under 26 U.S.C. § 7402(a) the United States is entitled to judgment against Defendant Vickie L. Maxwell for the unpaid balance of the assessments described in paragraph 11 plus interest and other statutory additions accruing to the date of payment.

**COUNT 3: REDUCE TO JUDGMENT TRUST FUND RECOVERY PENALTY
ASSESSMENTS AGAINST HAROLD L. MAXWELL
FOR TAX YEARS 2012-2013**

33. The United States incorporates the allegations in paragraphs 1-24.

34. The IRS timely assessed TFRPs, interest, and penalties against Defendant Harold L. Maxwell for tax years 2012-2013 as described in paragraphs 12-17.

35. Despite notice and demand for payment of the assessments described in paragraph 17, Defendant Harold L. Maxwell has failed to make full payment to the United States. As of November 5, 2019, there remains due and owing to the United States on those assessments the total sum of \$83,834.25, plus statutory interest and other statutory additions that continue to accrue by law.

36. Under 26 U.S.C. § 7402(a) the United States is entitled to judgment against Defendant Harold L. Maxwell for the unpaid balance of the assessments described in paragraph 17 plus interest and other statutory additions accruing to the date of payment.

**COUNT 4: REDUCE TO JUDGMENT TRUST FUND RECOVERY PENALTY
ASSESSMENTS AGAINST VICKIE L. MAXWELL
FOR TAX YEARS 2012-2013**

37. The United States incorporates the allegations in paragraphs 1-24.

38. The IRS timely assessed TFRPs, interest, and penalties against Defendant Vickie L. Maxwell for tax years 2012-2013 as described in paragraphs 12-13 and 18-21.

39. Despite notice and demand for payment of the assessments described in paragraph 21, Defendant Vickie L. Maxwell has failed to make full payment to the United States. As of November 5, 2019, there remains due and owing to the United States on those assessments the total sum of \$83,834.25, plus statutory interest and other statutory additions that continue to accrue by law.

40. Under 26 U.S.C. § 7402(a) the United States is entitled to judgment against Defendant Vickie L. Maxwell for the unpaid balance of the assessments described in paragraph 21 plus interest and other statutory additions accruing to the date of payment.

WHEREFORE, the United States requests that the Court:

A. Enter judgment in favor of the United States of America and against Harold L. Maxwell and Vickie L. Maxwell jointly for unpaid federal income tax liabilities for the 2005, 2006, 2009, 2010, 2011, 2012, 2013 and 2014 tax years, in the amount of \$246,028.68 as of November 5, 2019, plus interest and statutory additions in accordance with 28 U.S.C. § 1961(c)(1) and 26 U.S.C. §§ 6601 and 6621, which have accrued and will continue to accrue according to law from November 5, 2019 until judgment is paid, less any applicable credits and payments.

- 1 B. Enter judgment in favor of the United States of America and against Vickie
 2 L. Maxwell individually for unpaid federal income tax liabilities for the
 3 2007 tax year, in the amount of \$102,355.02 as of November 5, 2019, plus
 4 interest and statutory additions in accordance with 28 U.S.C. § 1961(c)(1)
 5 and 26 U.S.C. §§ 6601 and 6621, which have accrued and will continue to
 6 accrue according to law from November 5, 2019 until judgment is paid, less
 7 any applicable credits and payments.
- 8 C. Enter judgment in favor of the United States of America and against Harold
 9 L. Maxwell individually for unpaid Trust Fund Recovery Penalties for the
 10 first, second, third and fourth quarters of both 2012 and 2013, in the amount
 11 of \$83,834.25 as of November 5, 2019, plus interest and statutory additions
 12 in accordance with 28 U.S.C. § 1961(c)(1) and 26 U.S.C. §§ 6601 and
 13 6621, which have accrued and will continue to accrue according to law
 14 from November 5, 2019 until judgment is paid, less any applicable credits
 15 and payments.
- 16 D. Enter judgment in favor of the United States of America and against Vickie
 17 L. Maxwell individually for unpaid Trust Fund Recovery Penalties for the
 18 first, second, third and fourth quarters of both 2012 and 2013, in the amount
 19 of \$83,834.25 as of November 5, 2019, plus interest and statutory additions
 20 in accordance with 28 U.S.C. § 1961(c)(1) and 26 U.S.C. §§ 6601 and
 21 6621, which have accrued and will continue to accrue according to law
 22 from November 5, 2019 until judgment is paid, less any applicable credits
 23 and payments.
- 24 E. Award the United States of America its costs, and such other further relief
 25 as the Court deems just and proper.

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1 DATED this 15th day of November, 2019.

2 Respectfully submitted,

3 RICHARD E. ZUCKERMAN
Principal Deputy Assistant Attorney General

4 /s/ James Petrila
JAMES PETRILA
5 Trial Attorney, Tax Division
U.S. Department of Justice
6 P.O. Box 683
Washington, D.C. 20044

7
8 MICHAEL BAILEY
United States Attorney
9 *Of Counsel*

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

Civil Cover Sheet

This automated JS-44 conforms generally to the manual JS-44 approved by the Judicial Conference of the United States in September 1974. The data is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. The information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is authorized for use only in the District of Arizona.

The completed cover sheet must be printed directly to PDF and filed as an attachment to the Complaint or Notice of Removal.

Plaintiff(s): United States of America

Defendant(s): Harold L. Maxwell ; Vickie L. Maxwell

County of Residence: Outside the State of Arizona

County of Residence: Navajo

County Where Claim For Relief Arose: Navajo

Plaintiff's Atty(s):

Defendant's Atty(s):

**James Petrila
Department of Justice
555 4th St. NW
Washington, DC 20001
2023076648**

II. Basis of Jurisdiction:

1. U.S. Government Plaintiff

III. Citizenship of Principal Parties (Diversity Cases Only)

Plaintiff:- N/A

Defendant:- **1 Citizen of This State**

IV. Origin :

1. Original Proceeding

V. Nature of Suit:

870 Taxes US Plaintiff or Defendant

VI. Cause of Action:

Under 26 U.S.C. § 7402(a) the United States is entitled to judgment against Defendants for the unpaid balance of various tax assessments as described in the Complaint.

VII. Requested in Complaint

Class Action: **No**

Dollar Demand: **\$516,052.20**

Jury Demand: **No**

VIII. This case is not related to another case.

Signature: James Petrila

Date: 11/15/2019

If any of this information is incorrect, please go back to the Civil Cover Sheet Input form using the *Back* button in your browser and change it. Once correct, save this form as a PDF and include it as an attachment to your case opening documents.

Revised: 01/2014